

Message Text

UNCLASSIFIED

PAGE 01 BUCAR 03693 010820Z
ACTION EUR-12

INFO OCT-01 IO-14 ISO-00 DOTE-00 AID-05 CIAE-00
COME-00 EB-08 FRB-01 INR-10 NSAE-00 ICA-20
TRSE-00 XMB-04 OPIC-06 SP-02 LAB-04 SIL-01 OMB-01
PA-02 /091 W
-----034044 010824Z /10

P 010716Z MAY 78
FM AMEMBASSY BUCHAREST
TO SECSTATE WASHDC PRIORITY 9816
INFO AMEMBASSY BELGRADE
AMEMBASSY BERLIN
AMEMBASSY BUDAPEST
USMISSION GENEVA
AMEMBASSY MOSCOW
AMCONSUL MUNICH
USMISSION USNATO
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY WARSAW

UNCLAS BUCHAREST 3693

E.O. 11652: N/A
TAGS: EALR, ECSM, ELAB, RO
SUBJECT: PRICE INCREASES FOR URBAN MASS TRANSIT

REF: (A) BUCHAREST 3256, (B) BUCHAREST 3313
(C) BUCHAREST 3349, (D) BUCHAREST 1837
(E) BUCHAREST AIRGRAM A-3 (NOTAL)

1. SCINTEIA OF MAY 27 REPORTED THAT PRICE INCREASES FOR
MASS TRANSIT FARES (SEE REFTTEL A) WILL BECOME EFFECTIVE
JUNE 1. INCREASES IN THE BASIC FARES, WHICH INCLUDE TRAM,
TROLLEY AND BUS FARES, WILL AVERAGE 100 PERCENT, AND INCREASES
FOR MONTHLY COUPON RATES WILL BE ABOUT 50 PERCENT. IT ALSO
ANNOUNCED THAT SAME FARES WILL AGAIN BE INCREASED IN 1980
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BUCAR 03693 010820Z

BY 40-50 PERCENT WITH AIM OF TOTALLY ELIMINATING STATE
SUBSIDIES TO URBAN TRANSIT SYSTEM.

2. CURRENT BASIC FARE INCREASES AND THOSE PLANNED FOR 1980
ARE PRESENTED IN FOLLOWING TABLE:

FARE EFFECTIVE

MODE	OLD FARE	JUNE 1, 1978	1980 FARE
TRAM	0.3 LEI	0.65 LEI	1.0 LEI
TROLLEY	0.5 LEI	1.00 LEI	1.5 LEI
BUS	0.6 LEI	1.25 LEI	1.75 LEI

(NOTE: 12 LEI EQUALS 1 DOLLAR U.S. AT TOURIST EXCHANGE RATE.)

3. COMMENT. PRICE INCREASES FOR URBAN MASS TRANSIT HAVE BEEN EXPECTED SINCE EARLY FEBRUARY (SEE REFTEL D). HOWEVER, SIZE OF INCREASES SEEMS UNUSUALLY LARGE, ALTHOUGH IN OBJECTIVE TERMS, FARES REMAIN VERY REASONABLE. OFFICIAL GOR JUSTIFICATION FOR HIKE IS THAT STATE SUBSIDIES TO THIS SECTOR HAVE BEEN AVERAGING 800 MILLION LEI ANNUALLY FOR CURRENT FYP AND MUST BE ELIMINATED BY 1980 IF THE ECONOMY IS TO OPERATE ON MORE EFFICIENT BASIS.

4. AS NOTED IN PREVIOUS CABLES, THESE INCREASES UNLIKELY TO EVOKE ANY PUBLIC MANIFESTATIONS OF DISCONTENT. ROMANIAN PROCLIVITY FOR THIS TYPE OF ACTION IS WEAK, AND GOR HAS PUT INCREASES INTO EFFECT UNDER GUISE OF OFFICIAL ENDORSEMENT BY "COLLECTIVES OF WORKERS" WHO PURPORTEDLY DISCUSSED AND SUGGESTED ACTION TAKEN. FURTHER, HIKE HAS BEEN ORCHESTRATED TO COINCIDE WITH COMPLETION OF STAGE I OF GENERAL PAY INCREASE WHICH ROUGHLY AVERAGED 18 PERCENT FOR ALL WORKERS

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BUCAR 03693 010820Z

(SEE REFERENCE E).

5. IT APPEARS THAT GENERAL REACTION OF AVERAGE ROMANIAN TO FARE INCREASE IS ONE OF RESIGNATION AND CYNICISM. TYPICAL COMMENT HEARD FROM ONE ROMANIAN IS "THEY GIVE YOU YOUR FINGER (FINGER REFERRING TO RECENT PAY RAISES) SO THEY CAN CHOP OFF YOUR HAND (HAND REFERRING TO THIS YEAR'S PRICE INCREASES)."

6. NO ADDITIONAL, OFFICIALLY ANNOUNCED PRICE INCREASES ARE EXPECTED THIS YEAR. END COMMENT.

AGGREY

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRICES, URBAN TRANSPORTATION
Control Number: n/a
Copy: SINGLE
Draft Date: 01 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BUCHAR03693
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780228-1275
Format: TEL
From: BUCHAREST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197805106/aaaadmwj.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0ab6a494-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 BUCHAREST 3256, 78 BUCHAREST 3313, 78 BUCHAREST 3349, 78 BUCHAREST 1837, 78 BUCHAREST A-3
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2533483
Secure: OPEN
Status: NATIVE
Subject: PRICE INCREASES FOR URBAN MASS TRANSIT
TAGS: EALR, ECSM, ELAB, RO
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/0ab6a494-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014